



EXPORT-IMPORT BANK
of the UNITED STATES

INSPECTOR GENERAL

January 20, 2015

The Honorable Shaun Donovan
Director
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

RE: OMB Memorandum M-13-21

Dear Mr. Donovan:

The Government Charge Card Abuse Prevention Act of 2012 (Public Law 112-194) requires that Inspectors General (IGs) report to the Director of the Office of Management and Budget (OMB) on the implementation of recommendations made to the head of the executive agency to address findings of any analysis or audit of purchase card and convenience check transactions or programs. OMB Memorandum M-13-21, *Implementation of the Government Charge Card Abuse Prevention Act of 2012*, states that IGs will report to the Director of OMB 120 days after the end of each fiscal year on agency progress in implementing audit recommendations.

On September 26, 2012, we issued OIG-AR-12-06, *Audit of Export-Import Bank's Purchase Card Program*. The audit report included six recommendations to improve the purchase card program in the areas of training, issuance of delegated procurement authority, use of convenience checks, and the performance of annual reviews. Ex-Im Bank management concurred with all six recommendations and as of March 2013, the recommendations were fully implemented and closed.

On November 13, 2014, we provided the results of our annual risk assessment of the Bank's purchase and travel card programs to the Chairman and President of the Bank. We determined that the risk of illegal, improper, or erroneous use within the purchase and travel card programs was low and as a result, we do not intend to conduct audits specifically of the purchase or travel card programs during fiscal year 2015. Nevertheless, we identified that the Bank did not maintain and submit its Charge Card Management Plans to OMB by January 31, 2014. We also identified that Ex-Im Bank performed only a high-level review of its travel card charges to ensure the charges corresponded with official travel dates but did not perform a more detailed review to ensure the charges were only for official travel expenses. As a more detailed review is required by both OMB guidance and Ex-Im Bank's policy, we noted that Ex-Im Bank should adhere to its current policies to further mitigate the risk of misuse in the travel card program.

The memorandum presenting the results of our risk assessment can be found at [http://www.exim.gov/oig/reports/upload/Final-Memo -Risk-Assessment-of-Export-Import-Bank-s-Purchase-and-Travel-Card-Programs.pdf](http://www.exim.gov/oig/reports/upload/Final-Memo-Risk-Assessment-of-Export-Import-Bank-s-Purchase-and-Travel-Card-Programs.pdf). We will continue to monitor the Bank's compliance with OMB guidance and assess the need for audits of the purchase and travel card programs during our annual risk assessments.

Should you have any questions, please contact me at mike.mccarthy@exim.gov or 202-565-3908.

Sincerely,



Michael T. McCarthy
Deputy Inspector General

cc: David Sena, Senior Vice President and Chief Financial Officer